

## DEPARTMENT OF HEALTH SERVICES

714/744 P STREET

SACRAMENTO, CA 95814

16) 445-1797



April 9, 1980

To: All County Welfare Directors

Letter No. 80-11

MEDI-CAL-ONLY ELIGIBILITY DETERMINATIONS FOR CHILDREN DISCONTINUED FROM  
AFDC DUE TO INCOME AVAILABLE FROM A STEPPARENT

It has come to our attention that there is some confusion regarding the Medi-Cal-Only eligibility determinations for children discontinued from AFDC Cash due to the new AFDC regulations regarding availability of stepparent's income. This confusion arises because the AFDC program has implemented the provisions of AB 381 regarding the availability of stepparent income whereas the Medi-Cal program has not yet done so.

Below are the pertinent current Medi-Cal regulations and a summary of program policy defined by these regulations as it relates to these children.

CAC, Title 22, Section 50183: Transfer Between Programs

Pursuant to this regulation, for those children discontinued from Medi-Cal as public assistance recipients, counties have the responsibility to determine their eligibility under a Medi-Cal-Only aid category.

CAC, Title 22, Section 50243: Four Month Continuing Eligibility

Eligibility under this aid category is contingent upon the reason for discontinuance from AFDC. Only persons discontinued due solely to increased earnings from or increased hours of employment are eligible for Four Month Continuing. Since the majority of the children are being discontinued due to a change in the treatment of the stepparent's income, these children are not eligible under this aid category.

There is the possibility, however, due to current Medi-Cal regulations regarding treatment of a stepparent's income, that these children are entitled to no-cost Medi-Cal as AFDC-MN persons. The circumstances under which this occurs are described below under Section 50559.

Those children who have been placed on Four Month Continuing Eligibility but who, based upon family income should have a share of cost, should be transferred to MN effective the first of the earliest month in which timely (10-day) notice can be given.

CAC, Title 22, Section 50559: Stepparent Contribution

If the children being discontinued from AFDC are the only family members receiving Medi-Cal, the stepparent's income is treated in accordance with this regulation when determining the children's share of cost. Therefore, if the amount of stepparent income the parent says is actually available has not changed, these children should not have a share of cost.

Example:

<u>AFDC Previous Stepparent Regs</u>		<u>AFDC Current Regs</u>	
MAP	\$ 201	MAP	\$ 201
S/P Contribution	<u>- 50</u>	S/P Available Income	<u>250</u>
Grant	\$151	Ineligible for AFDC Cash	

Medi-Cal for child only after AFDC discontinuance; parent states \$50 is still the only amount made available:

S/P Contribution	\$ 50
Maintenance Need	<u>291</u>
Share of Cost	-0-

If there has been an increase in the actual stepparent contribution, or additional family members request or are already receiving Medi-Cal, then there is a potential that a share of cost will result.

We are in the process of filing nonemergency regulations which will align treatment of stepparent income for Medi-Cal with the current AFDC regulations. However, until such time as those regulations are effective, you must continue to apply the existing provisions of Section 50559 when the children of only one parent are the only family members for whom Medi-Cal is requested.

If you have any questions, contact your Medi-Cal Field Representative.

Sincerely,

Original signed by

Doris Z. Soderberg, Chief  
Medi-Cal Eligibility Branch

cc: Medi-Cal Liaisons  
Medi-Cal Field Representatives